

# **FISCAL NOTE**

## **SB 1398 - HB 1996**

April 5, 2004

**SUMMARY OF BILL:** Requires the Department of Health to adopt rules that establish minimum numerical nurse-to-patient ratios for licensed health care facilities such as hospitals and nursing homes. The ratios would constitute the minimum number of registered and licensed nurses that would be allocated. The department is to adopt the rules by January 1, 2004, and to review the rules every five years. The bill provides that the rules adopted by the department would not replace existing licensed staff-to-patient ratios for facilities operated by the Department of Mental Health and Developmental Disabilities.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Exceeds \$1,000,000**

**Other Fiscal Impact - Increase Federal Expenditures - Exceeds \$2,000,000**

Estimate assumes:

- Requiring specific numerical nurse to patient ratios would increase the existing hospital workforce.
- The increase in total staff will impact hospital costs that will be passed on in higher rates paid by the TennCare program. The amount of the increase cannot be determined but is estimated to exceed \$3,000,000.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director